

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

25

May 13, 2003

FROM: KEN A. MILLER, Director
Department of Public Works - **Transportation**

**SUBJECT: LETTER-OF-CREDIT AMENDMENT (BANK OF AMERICA) FROM CATTELLUS
DEVELOPMENT CORPORATION**

RECOMMENDATION: Approve the proposed Letter of Credit Amendment from Bank of America for the Catellus Development Corporation (Catellus) decreasing the amount from \$6,400,000 to \$2,200,000 to reconstruct interchange, construct freeway auxiliary lanes, and install traffic signals on Interstate 10 at Etiwanda Avenue and Valley Boulevard in the Fontana area.

BACKGROUND INFORMATION: On August 2, 2001, the Board approved Agreement No. 01-828 with Catellus for reconstruction of interchange, freeway auxiliary lanes, and installation of traffic signals adjacent to Interstate 10 at Etiwanda Avenue and Valley Boulevard in the Fontana area. Catellus is working with the California Department of Transportation (Caltrans) and the County for the design and development of this project. The project is located within the County's jurisdiction; therefore, the County is acting as the facilitator for Catellus and Caltrans for completion of the improvements. As the facilitator, the County is the lead agency for the design, review and bidding for the project. To ensure that the County is reimbursed for its costs related to this project, the Board approved a Letter of Credit from Catellus in the amount of \$14,000,000 in August 2001. In June of 2002, this letter was reduced to \$8,400,000. In November of 2002, this letter was further reduced to \$6,400,000.

According to information by County staff and Parsons Brinkerhoff, the contract manager for this project, as of March 30, 2003, updated estimates indicate that the project's remaining costs are as follows:

Stage II – I10/Etiwanda Avenue	<u>\$2,200,000</u>
---------------------------------------	---------------------------

Therefore, it is acceptable to the Department of Public Works to reduce the letter of credit from \$6,400,000 to \$2,200,000.

REVIEW BY OTHERS: This item was reviewed by Deputy County Counsel Charles S. Scolastico on April 16, 2003 and by the County Administrative Office (Tom Forster, Administrative Analyst) on April 19, 2003.

FINANCIAL IMPACT: In accordance with Agreement No. 01-828, Catellus is responsible for 100% of the cost of this project. Therefore, there is no financial impact to the County.

SUPERVISORIAL DISTRICT(S): 2nd & 4th

PRESENTER: Ken A. Miller 387-7906

Record of Action of the Board of Supervisors

25